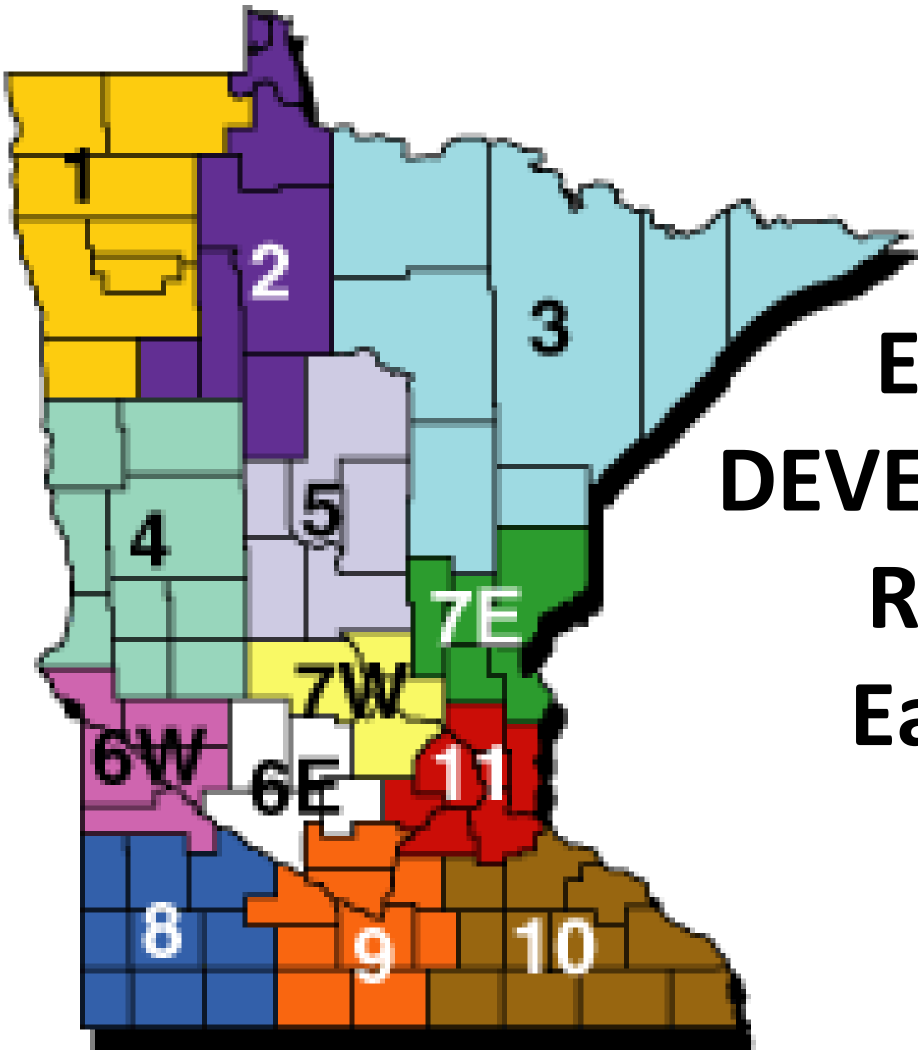

ECONOMIC DEVELOPMENT REGION 7E: East Central

Covers counties:

Chisago, Isanti, Kanabec, Mille Lacs, and Pine

2015 REGIONAL PROFILE

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DEMOGRAPHICS

POPULATION CHANGE, 2000-2014

Economic Development Region 7E – East Central includes a total of 5 counties, located in the Central Minnesota planning region. Region 7E was home to 163,347 people in 2014, comprising 3.0 percent of the state's total population. The region saw a 19.9 percent population increase since 2000, making it the second fastest growing of the 13 economic development regions (EDRs) in the state, and now the seventh largest in total population. In comparison, the state of Minnesota saw a 10.9 percent gain from 2000 to 2014 (see Table 1).

Table 1. Population Change 2000-2014

	2000 Population	2014 Estimates	*2000-2014 Change*	
			Number	*Percent*
Region 7E	**136,244**	**163,347**	***+27,103***	***+19.9%***
Chisago Co.	41,101	54,025	*+12,924*	*+31.4%*
Isanti Co.	31,287	38,413	*+7,126*	*+22.8%*
Kanabec Co.	14,996	15,930	*+934*	*+6.2%*
Mille Lacs Co.	22,330	25,884	*+3,554*	*+15.9%*
Pine Co.	26,530	29,095	*+2,565*	*+9.7%*
Minnesota	**4,919,479**	**5,457,173**	***+537,694***	***+10.9%***

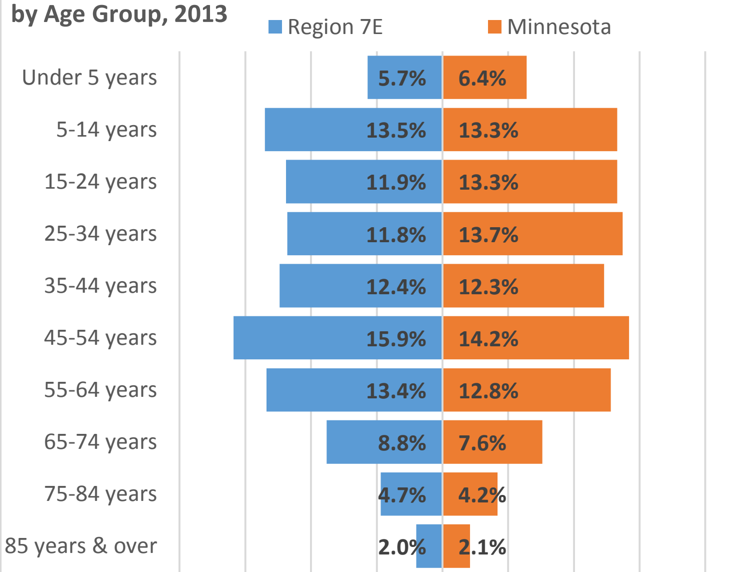
Source: U.S. Census Bureau, Population Estimates

All five counties in the region saw population gains since 2000, led by Chisago County, which is the largest county in the region and was the fifth fastest growing county in the state after welcoming 12,924 people. Isanti County gained 7,126 residents from 2000 to 2014, making it the seventh fastest growing county, while Mille Lacs grew by 3,554 people, and was the 11th fastest growing county. Pine was the 25th fastest growing county in the state, while Kanabec was the smallest county in the region and saw the least growth.

POPULATION BY AGE GROUP, 2000-2013

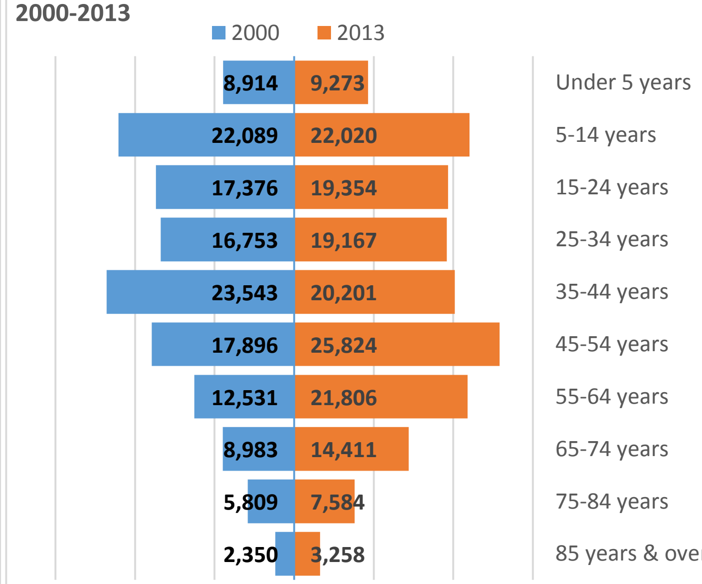
Region 7E's population is slightly older than the state's, with 15.5 percent of the population aged 65 years and over in 2013, compared to 13.9 percent statewide. Region 7E also had a higher percentage of people in the 45 to 64 year old age group, with 29.3 percent of the population in the Baby Boom generation – people born between 1946 and 1964, which is creating a significant shift in the population over time. The largest portion of the population was still 25 to 54 years old, typically considered the "prime working years." Just 31.1 percent of people in Region 7E were under 25 years of age, compared to 33 percent in the state. While the number of younger residents was rising slowly, the number of residents aged 45 years and over was rapidly increasing (see Figure 1 and Figure 2).

Figure 1. Percentage of Population by Age Group, 2013



Source: U.S. Census Bureau, American Community Survey

Figure 2. Region 7E Population Pyramid, 2000-2013

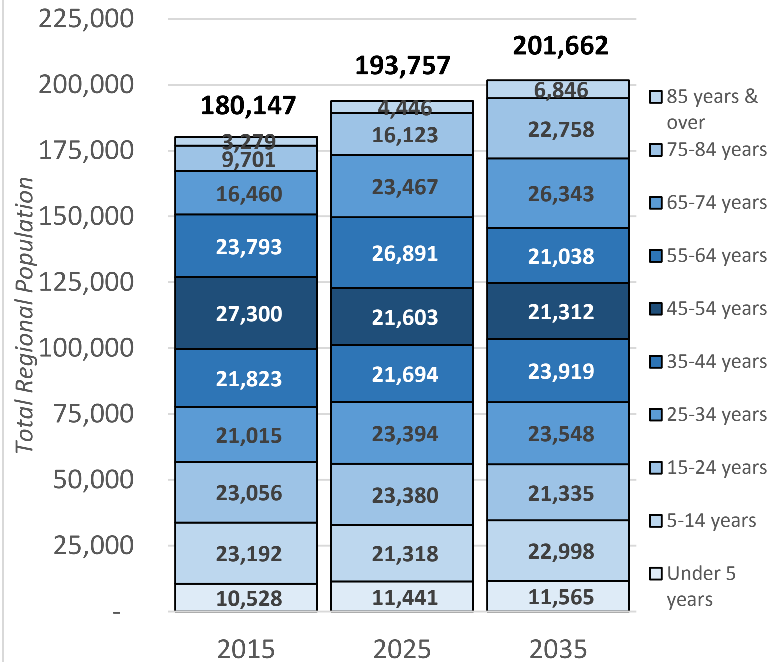


Source: U.S. Census Bureau, American Community Survey

POPULATION PROJECTIONS BY AGE GROUP, 2015-2035

Region 7E is projected to enjoy continued population growth in the next 20 years as well. Though the 2015 projection is starting higher than 2014 estimates, according to population projections from the [State Demographic Center](), Region 7E is expected to gain about 21,500 net new residents from 2015 to 2035, an 11.9 percent increase (see Figure 3). The state of Minnesota is projected to grow 10.8 percent.

Figure 3. Region 7E Population Projections by Age Group, 2015-2035



Source: Minnesota State Demographic Center

However, much of this population growth is expected to be in the older age groups. Region 7E is projected to add 26,507 people aged 65 years and over, a 90 percent increase. The region is also expected to gain about 4,600 people in the 25- to 44-year-old age group, as well as a corresponding increase of about 1,000 more school-aged children. In contrast, Region 7E is expected to lose over 1,700 young people from 15 to 24 years, and about 8,750 people from 45 to 64 years of age – as the current Baby Boom generation moves through the population pyramid.

POPULATION BY RACE, 2013

Region 7E's population is less diverse than the state's, but is becoming more diverse over time. In 2013, 94.4 percent of the region's residents reported White alone as their race, compared to 85.6 percent of residents statewide. At 1.8 percent, Region 7E had a higher percentage of American Indian or Alaska Natives than the state, but otherwise had much smaller percentages of people of all other race groups (see Table 2).

The region saw a 17.7 percent gain in the number of White residents, then saw much faster increases in every other race group. The number of Black or African American residents and people of Two or More Races doubled, while people of Some Other Race, and Hispanic or Latino origin both increased about 90 percent from 2000 to 2013.

Table 2. Race and Hispanic Origin, 2013	Region 7E			Minnesota	
	Number	Percent	*Change from 2000-2013*	Percent	*Change from 2000-2013*
Total	**163,296**	**100.0%**	***+19.9%***	**100.0%**	***+8.7%***
White	154,214	94.4%	*+17.7%*	85.6%	*+4.0%*
Black or African American	1,704	1.0%	*+137.7%*	5.2%	*+63.0%*
American Indian & Alaska Native	2,914	1.8%	*+29.6%*	1.1%	*+4.6%*
Asian & Other Pac. Islander	987	0.6%	*+55.7%*	4.2%	*+56.9%*
Some Other Race	652	0.4%	*+91.2%*	1.4%	*+17.4%*
Two or More Races	2,825	1.7%	*+121.6%*	2.5%	*+59.6%*
Hispanic or Latino	2,913	1.8%	*+87.8%*	4.8%	*+79.3%*

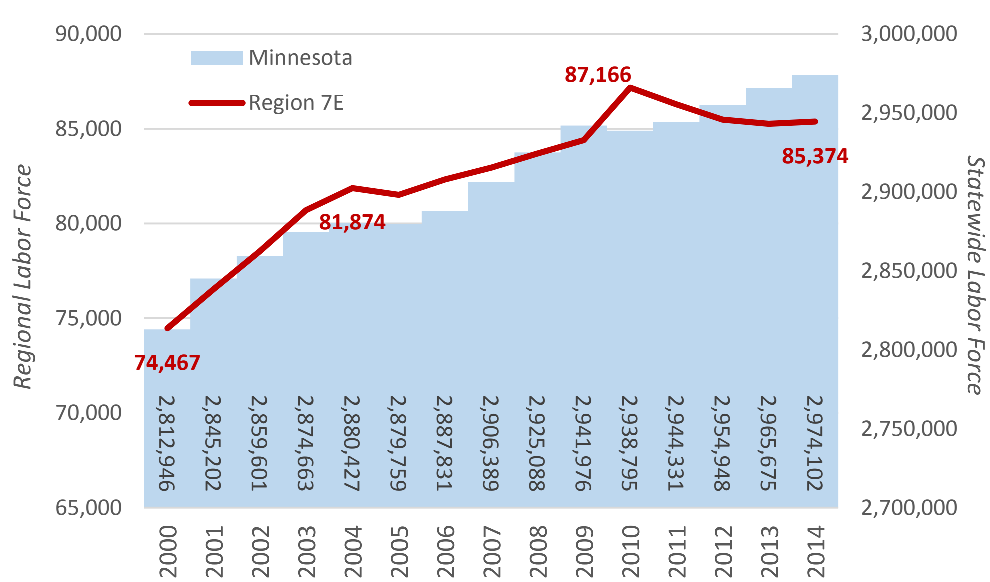
Source: [U.S. Census Bureau, American Community Survey]()

LABOR FORCE

LABOR FORCE CHANGE, 2000-2014

According to data from DEED's Local Area Unemployment Statistics program, Region 7E has experienced steady growth in the size of the available labor force over the last 14 years in response to changing economic conditions. As the region's population grew through 2010, so did the labor force. However, the region saw a peak of 87,166 workers in 2010, and since then, Region 7E has lost about 1,800 workers. Despite the recent drop, the region still has nearly 11,000 more workers than it had in 2000, climbing from 74,467 workers in 2000 to 85,374 workers in 2014. The state was also gaining workers over the past decade and a half, without the recent drop (see Figure 4). As the economy has recovered, the labor market in the region has been getting tighter, with about 4,000 unemployed workers actively seeking work in 2014.

Figure 4. Annual Labor Force Estimates, 2000-2014



Source: DEED Local Area Unemployment Statistics (LAUS)

LABOR FORCE PROJECTIONS, 2015-2025

Despite the region's projected population growth, applying current labor force participation rates to future population projections by age group, as shown in Figure 3 above, would lead to much slower growth in workforce numbers in Region 7E over the next decade (see Table 3).

Though the total labor force numbers are artificially high due to the population projections, the data show that the age composition of the workforce will see a significant shift over time, with a steady gain in the number of workers aged 20 to 44 years and big gains in workers aged 55 years and over, against a huge decline in the number of workers aged 45 to 54 years. The region may lose about 4,800 workers in the 45 to 64 year old age group as the Baby Boom generation moves through the population pyramid. The 25 to 54 year old age group will still be the largest part of the labor force, accounting for 59.6 percent of the total (see Table 3). This will likely lead to a tight labor market in the future, with employers needing to respond to the changing labor force availability.

Table 3. Region 7E Labor Force Projections

	2015 Labor Force Projection	2025 Labor Force Projection	2015-2025 Change	
			Numeric	Percent
16 to 19 years	5,394	4,931	*-463*	*-8.6%*
20 to 24 years	7,731	8,932	*+1,201*	*+15.5%*
25 to 44 years	35,898	37,784	*+1,886*	*+5.3%*
45 to 54 years	23,205	18,363	*-4,842*	*-20.9%*
55 to 64 years	15,513	17,533	*+2,020*	*+13.0%*
65 to 74 years	3,901	5,562	*+1,661*	*+42.6%*
75 years & over	727	1,152	*+425*	*+58.5%*
Total Labor Force	**92,369**	**94,257**	***+1,888***	***+2.0%***

Source: Minnesota State Demographic Center, 2009-2013 American Community Survey 5-Year Estimates

EMPLOYMENT CHARACTERISTICS, 2013

With 66.2 percent of people aged 16 years and over in the labor force, Region 7E had lower labor force participation rates than the state's 70.3 percent. The region had lower labor force participation rates than the state in every age group, and the overall rate was even lower because a higher percentage of Region 7E's labor force was in older age groups (see Table 4).

Likewise, the region had lower participation rates than the state in all race groups; and also had large unemployment rate disparities for every minority group. Region 7E had about 5,590 veterans and 4,900 workers with disabilities in the labor force, though they also had higher unemployment rates. In sum, unemployment rates in the region were highest for young people, minorities, workers with disabilities, and people with lower educational attainment.

Table 4. Employment Characteristics, 2013

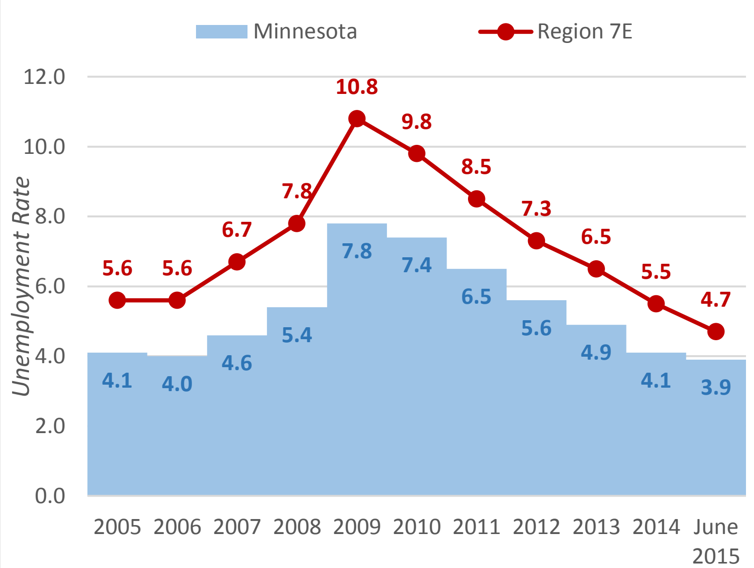
	Region 7E			Minnesota	
	In Labor Force	Labor Force Partic. Rate	Unemp. Rate	Labor Force Partic. Rate	Unemp. Rate
Total Labor Force	**84,942**	**66.2%**	**8.7%**	**70.3%**	**7.1%**
16 to 19 years	4,176	49.9%	17.6%	50.9%	20.2%
20 to 24 years	6,771	81.0%	12.5%	81.6%	11.2%
25 to 44 years	34,360	83.8%	8.4%	88.2%	6.3%
45 to 54 years	22,688	85.0%	8.0%	87.5%	5.6%
55 to 64 years	13,238	65.2%	6.9%	71.7%	5.5%
65 to 74 years	3,156	23.7%	5.4%	26.5%	4.5%
75 years & over	572	5.6%	1.0%	5.8%	4.6%
Employment Characteristics by Race & Hispanic Origin					
White alone	81,942	67.1%	8.4%	70.5%	6.3%
Black or African American	345	24.9%	27.8%	67.6%	17.5%
American Indian & Alaska Native	1,029	49.6%	18.3%	60.1%	18.8%
Asian or Other Pac. Islanders	538	69.2%	8.7%	69.8%	8.5%
Some Other Race	237	55.0%	13.9%	77.6%	10.9%
Two or More Races	888	62.1%	11.6%	69.0%	14.4%
Hispanic or Latino	1,027	53.7%	13.0%	75.1%	10.4%
Employment Characteristics by Veteran Status					
Veterans, 18 to 64 years	5,590	72.7%	10.3%	77.8%	7.7%
Employment Characteristics by Disability					
With Any Disability	4,898	48.1%	13.6%	51.6%	14.6%
Employment Characteristics by Educational Attainment					
Population, 25 to 64 years	70,249	79.8%	8.0%	84.2%	5.9%
Less than H.S. Diploma	4,088	67.1%	17.2%	66.9%	14.6%
H.S. Diploma or Equivalent	23,896	75.2%	10.1%	79.4%	8.0%
Some College or Assoc. Degree	28,264	82.6%	7.4%	85.6%	6.1%
Bachelor's Degree or Higher	14,005	87.9%	2.9%	89.1%	3.4%

Source: 2009-2013 American Community Survey, 5-Year Estimates

UNEMPLOYMENT RATE, 2005-2015

Region 7E has consistently had among the highest unemployment rates in the state, typically hovering at least 1.5 to 2 percent above the state rate. According to DEED's Local Area Unemployment Statistics, the region's unemployment rate rose as high as 10.8 percent in 2009, which was the highest of the 13 EDRs in the state, and 3 percent above the state rate. Since then, the state and region's economies have recovered and unemployment rates are dropping back to prerecession levels, with Region 7E reporting 4.7 percent in June of 2015, though that was still 0.8 percent above the state rate (see Figure 5).

Figure 5. Unemployment Rates, 2005-2015



Source: DEED Local Area Unemployment Statistics (LAUS)

COMMUTE SHED AND LABOR SHED, 2013

According to commuting data from the Census Bureau, Region 7E is a net labor exporter, having more workers than available jobs. In fact, more residents commute out of the region than stay in the region for work. In sum, 31,729 workers both lived and worked in Region 7E in 2013, while 13,592 workers drove into the region from surrounding counties for work, compared to 45,838 workers who lived in the region but drove to surrounding counties for work (see Table 5 and Figure 6).

Table 5. Region 7E Inflow/Outflow Job Counts (All Jobs), 2013	2013	
	Count	Share
Employed in the Selection Area	45,321	100.0%
Employed in the Selection Area but Living Outside	13,592	30.0%
Employed and Living in the Selection Area	31,729	70.0%
Living in the Selection Area	77,567	100.0%
Living in the Selection Area but Employed Outside	45,838	59.1%
Living and Employed in the Selection Area	31,729	40.9%

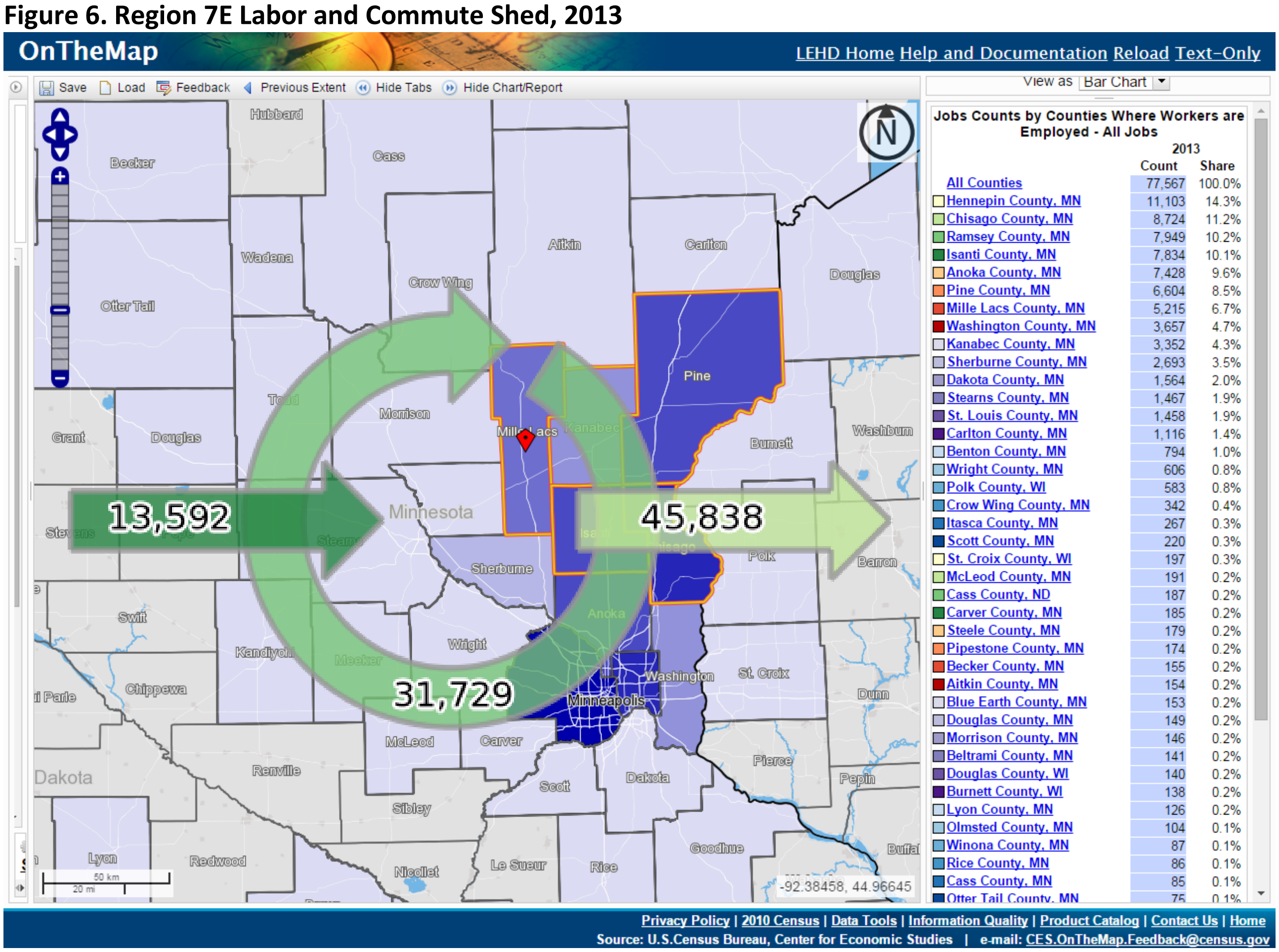
Source: U.S. Census Bureau, OnTheMap

Chisago County is the largest county and the largest employment center in the region and was the biggest draw for workers, followed by Isanti County, Pine County, Mille Lacs County, and Kanabec County is the smallest. Most workers in the region commute to the Twin Cities metro area and Hennepin County, as well as to the northern and eastern counties like Ramsey, Anoka, and Washington County (see Table 6 and Figure 6).

Table 6. Region 7E Commuting Patterns	
Counties outside the region that send the most workers into the region	Counties outside the region that the most workers from inside the region travel to
Anoka Co. MN	Hennepin Co. MN
Sherburne Co. MN	Ramsey Co. MN
Washington Co. MN	Anoka Co. MN
Crow Wing Co. MN	Washington Co. MN
Hennepin Co. MN	Sherburne Co. MN

Source: U.S. Census Bureau, OnTheMap

Figure 6. Region 7E Labor and Commute Shed, 2013

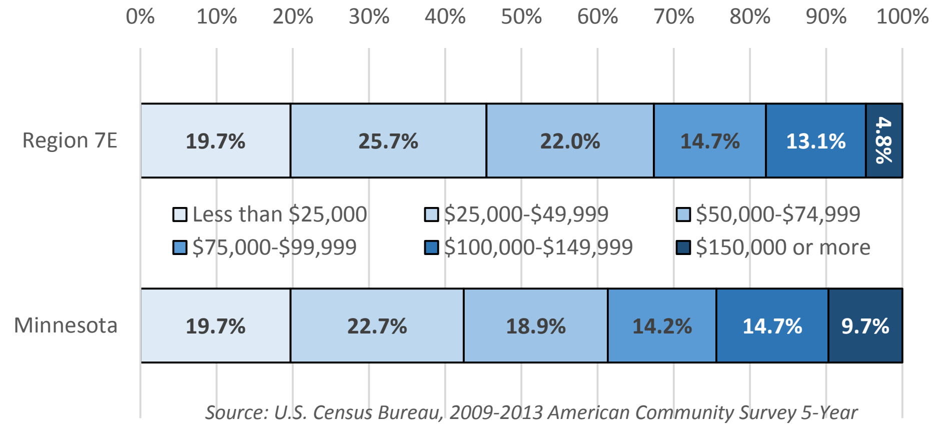


INCOMES, WAGES AND OCCUPATIONS

HOUSEHOLD INCOMES

Household incomes were slightly lower in Region 7E than the state, where the median household income in 2013 was $59,836. In the region, median household incomes ranged from $43,928 in Pine County, which was the seventh lowest in the state, to $67,157 in Chisago County, which was the ninth highest in the state.

Figure 7. Household Incomes, 2013



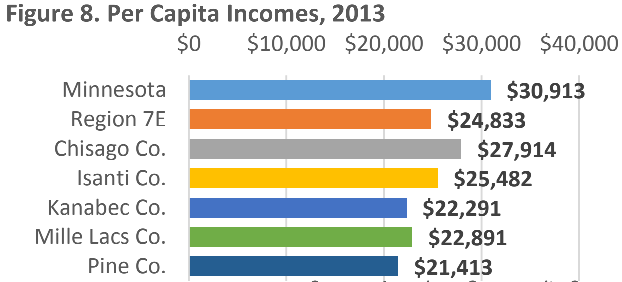
Source: U.S. Census Bureau, 2009-2013 American Community Survey 5-Year Estimates

Incomes were relatively high in Chisago and Isanti County, and relatively low in Kanabec, Mille Lacs, and Pine County. Just over 45 percent of the households in the region had incomes below $50,000 in 2013, compared to 42.4 percent statewide. Another 36.7 percent of households earned between $50,000 and $100,000 in the region. In contrast, only 17.9 percent of households in Region 7E earned over $100,000 per year, compared to 24.4 percent of households statewide (see Figure 7).

PER CAPITA INCOMES

Per capita incomes were also slightly lower in Region 7E than the state, ranging from $21,413 in Pine County to $27,914 in Chisago County, compared to $30,913 in Minnesota. At $24,833, Region 7E had the third lowest per capita income of the 13 EDRs in the state (see Figure 8).

Figure 8. Per Capita Incomes, 2013



Source: American Community Survey

COST OF LIVING

According to DEED's Cost of Living tool, the basic needs budget for an average Minnesota family (which consists of 2 adults and 1 child, with 1 full-time and 1 part-time worker) was $50,988 in 2015. The cost of living for a similar family in Region 7E was $55,488 – which was the second highest of the 13 EDRs in the state, behind only the Twin Cities metro area. The highest monthly costs were for transportation, food, and housing; and the cost of the region's housing, transportation, and taxes were significantly higher than the state (see Table 7).

In order to meet the basic cost of living for the region, the workers in the family scenario listed above would need to earn $17.78 per hour.

Table 7. Family Yearly Cost, Worker Hourly Wage, and Family Monthly Costs, 2015

Region	Family Yearly Cost of Living	Hourly Wage Required	Monthly Costs: Child Care	Food	Health Care	Housing	Trans-portation	Other	Taxes
Region 7E	$55,488	$17.78	$386	$750	$406	$911	$1,384	$232	$555
Minnesota	$50,988	$16.34	$443	$772	$405	$907	$1,039	$235	$448

Source: DEED Cost of Living tool

WAGES AND OCCUPATIONS

According to DEED's Occupational Employment Statistics program, the median hourly wage for all occupations in Region 7E was $16.43 in the first quarter of 2015, which was the fifth highest wage level of the 13 EDRs in the state. Region 7E's median wage was about $2.20 below the state's median hourly wage, equaling 88 percent of the statewide wage rate, and over $4.00 below the median hourly wage in the 7-County Twin Cities metro area, which would amount to nearly $8,500 per year for a full-time worker. Region 7E had higher wages than Region 5 at $14.37, but lower wages than other surrounding regions like Region 3 at $16.58, Region 7W at $16.80, and the Twin Cities at $20.49 (see Table 8).

Table 8. Occupational Employment Statistics by Region, 1st Qtr. 2015	Median Hourly Wage	Estimated Regional Employment
EDR 1 - Northwest	$16.39	36,130
EDR 2 - Headwaters	$15.77	27,330
EDR 3 - Arrowhead	$16.58	141,800
EDR 4 - West Central	$15.66	83,540
EDR 5 - North Central	$14.37	56,050
EDR 6E - Southwest Central	$16.42	46,490
EDR 6W - Upper MN Valley	$15.34	18,380
EDR 7E - East Central	**$16.43**	**44,580**
EDR 7W - Central	$16.80	172,200
EDR 8 - Southwest	$14.79	53,380
EDR 9 - South Central	$15.99	105,260
EDR 10 - Southeast	$17.74	253,990
EDR 11 - 7-County Twin Cities	$20.49	1,691,650
State of Minnesota	**$18.65**	**2,730,020**

Source: DEED Occupational Employment Statistics

Over 10 percent of the jobs in Region 7E were education, training and library occupations, which was nearly twice as concentrated as in the state as a whole. Region 7E also had a higher share of workers in healthcare support; community and social services; farming, fishing and forestry; and healthcare practitioners and technical occupations (see Table 9).

Table 9. Region 7E Occupational Employment Statistics, 1st Qtr. 2015					**State of Minnesota**		
	Median Hourly Wage	Estimated Regional Employment	*Share of Total Employment*	*Location Quotient*	Median Hourly Wage	Estimated Regional Employment	*Share of Total Employment*
Total, All Occupations	**$16.43**	**44,580**	***100.0%***	***1.0***	**$18.65**	**2,730,020**	***100.0%***
Office & Administrative Support	$16.14	6,250	*14.0%*	*0.9*	$17.27	409,100	*15.0%*
Education, Training, & Library	$20.02	4,740	*10.6%*	*1.9*	$22.72	156,090	*5.7%*
Sales & Related	$11.56	4,210	*9.4%*	*1.0*	$13.24	270,540	*9.9%*
Production	$15.87	4,050	*9.1%*	*1.1*	$16.61	217,830	*8.0%*
Healthcare Practitioners & Technical	$30.63	3,460	*7.8%*	*1.3*	$31.54	160,390	*5.9%*
Healthcare Support	$13.01	2,790	*6.3%*	*1.9*	$13.63	89,360	*3.3%*
Management	$36.32	2,100	*4.7%*	*0.8*	$47.47	165,730	*6.1%*
Personal Care & Service	$10.79	1,820	*4.1%*	*0.9*	$11.11	120,000	*4.4%*
Construction & Extraction	$24.38	1,560	*3.5%*	*1.0*	$24.88	91,240	*3.3%*
Business & Financial Operations	$24.25	1,510	*3.4%*	*0.6*	$30.37	159,970	*5.9%*
Community & Social Service	$18.72	1,510	*3.4%*	*1.9*	$20.51	49,210	*1.8%*
Food Preparation & Serving Related	$9.15	1,500	*3.4%*	*0.4*	$9.21	228,640	*8.4%*
Building & Grounds Cleaning & Maint.	$12.16	1,340	*3.0%*	*1.0*	$12.03	81,560	*3.0%*
Architecture & Engineering	$29.53	590	*1.3%*	*0.7*	$34.76	50,980	*1.9%*
Computer & Mathematical	$29.71	490	*1.1%*	*0.3*	$37.96	91,560	*3.4%*
Life, Physical, & Social Science	$28.40	380	*0.9%*	*1.0*	$30.29	24,410	*0.9%*
Arts, Design, Entertainment & Media	$11.04	360	*0.8%*	*0.6*	$21.82	36,430	*1.3%*
Legal	$22.17	170	*0.4%*	*0.6*	$38.48	18,330	*0.7%*
Farming, Fishing, & Forestry	$14.91	80	*0.2%*	*1.4*	$14.41	3,570	*0.1%*
Protective Service	$20.62	N/A	*N/A*	*N/A*	$19.43	43,660	*1.6%*
Installation, Maintenance, & Repair	$18.91	N/A	*N/A*	*N/A*	$21.52	94,310	*3.5%*
Transportation & Material Moving	$15.66	N/A	*N/A*	*N/A*	$16.18	167,130	*6.1%*

Source: DEED Occupational Employment Statistics, Qtr. 1 2015

Not surprisingly, the lowest-paying jobs are in food preparation and serving, personal care and service, arts, design, and entertainment, and sales and related jobs, which tend to have lower educational and training requirements. For the most part, the gap in pay between Region 7E and the state is also lower in these jobs.

In contrast, the highest paying jobs are found in management, healthcare practitioners, computer, architecture and engineering, life, physical, and social science, construction, and business and financial operations, which tend to need higher levels of education and experience. The pay gaps between the region and state are much bigger in these occupations.

JOB VACANCY SURVEY

Employers in Region 7E reported 2,138 job vacancies in the second quarter of 2015, the highest number ever recorded. Job vacancies in the region increased 61.7 percent from the previous year, and over 400 percent from the recession low point in 2009. Overall, almost 75 percent of the openings were part-time, and only about one-fifth required postsecondary education or 1 or more years of experience. The median hourly wage offer for all occupations was $9.88, ranging from under $9.00 for personal care and service, sales and related, and food prep jobs to $34.36 for management jobs (see Table 10).

Table 10. Region 7E Job Vacancy Survey Results, 2nd Qtr. 2015

	Number of Total Vacancies	Percent Part-time	Requiring Post-Secondary Education	Requiring 1 or More Years of Experience	Requiring Certificate or License	Median Hourly Wage Offer
Total, All Occupations	**2,138**	**73%**	**21%**	**26%**	**33%**	**$9.88**
Food Preparation & Serving Related	493	93%	0%	5%	8%	$8.97
Sales & Related	371	94%	2%	2%	1%	$8.89
Personal Care & Service	279	87%	11%	22%	20%	$8.00
Healthcare Practitioners & Technical	158	64%	86%	42%	93%	$19.79
Transportation & Material Moving	148	65%	0%	50%	99%	$13.23
Production	120	21%	11%	42%	8%	$11.87
Education, Training, & Library	117	47%	65%	52%	67%	$16.28
Healthcare Support	111	81%	75%	37%	87%	$12.43
Building, Grounds Cleaning & Maint.	68	73%	0%	8%	34%	$9.35
Office & Administrative Support	63	57%	18%	42%	11%	$10.61
Installation, Maintenance, & Repair	44	50%	50%	50%	71%	$11.28
Management	29	0%	99%	100%	72%	$34.36
Community & Social Service	15	47%	87%	50%	79%	$15.48

Source: DEED Job Vacancy Survey, Qtr. 2 2015

OCCUPATIONS IN DEMAND

According to DEED's Occupations in Demand tool, there are 265 occupations showing relatively high demand in the region, with training and education requirements ranging from short-term on-the-job training to postsecondary education to advanced degrees. Many of the occupations in demand in the region require a high school diploma or less.

These occupations are spread across different sectors but are also concentrated in the region's major industries. For example, personal care aides and home health aides, janitors and cleaners, retail sales workers, landscapers, carpenters, press machine setters, social and human service assistants, teachers, nurses, and healthcare practitioners are all occupations in demand based on the consistent need for these workers (see Table 11).

Table 11. Region 7E Occupations in Demand by Education Level, 2014

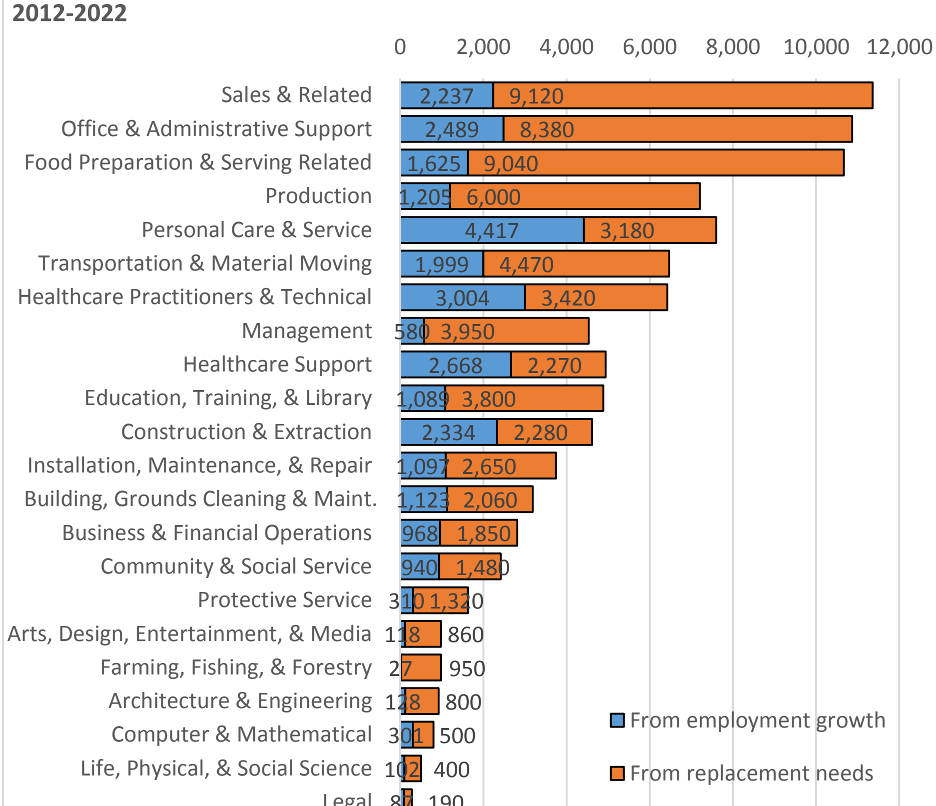
Less than High School	High School or Equivalent	Some College or Assoc. Degree	Bachelor's Degree or Higher
Personal Care Aides ($22,314)	Social & Human Service Assistants ($32,787)	Nursing Assistants ($26,519)	Secondary School Teachers ($54,000)
Cashiers ($19,500)	Bookkeeping, Accounting, & Auditing Clerks ($37,121)	Registered Nurses ($68,116)	Elementary School Teachers ($54,030)
Stock Clerks & Order Fillers ($23,893)	Office Clerks, General ($30,566)	Medical Assistants ($36,032)	Special Education Teachers, Middle School ($56,154)
Retail Salespersons ($23,622)	First-Line Supervisors of Office & Admin. Workers ($47,945)	Licensed Practical & Licensed Vocational Nurses ($41,122)	Physical Therapists ($75,387)
Combined Food Preparation & Serving Workers ($18,075)	Maintenance & Repair Workers, General ($36,713)	Heavy & Tractor-Trailer Truck Drivers ($45,625)	Child, Family, & School Social Workers ($54,164)
Janitors & Cleaners ($25,943)	Tellers ($24,770)	Hairdressers, Hairstylists, & Cosmetologists ($23,114)	Physicians & Surgeons, All Other ($205,000)
Home Health Aides ($24,316)	Cutting, Punching, & Press Machine Setters ($28,131)	First-Line Supervisors of Production Workers ($51,364)	Clinical, Counseling & School Psychologists ($67,961)
Landscaping & Grounds-keeping Workers ($25,539)	Secretaries & Administrative Assistants ($34,346)	Veterinary Technologists & Technicians ($29,740)	Family & General Practitioners ($178,235)
Bakers ($21,822)	Carpenters ($40,314)	Computer User Support Specialists ($44,286)	Speech-Language Pathologists ($63,118)
Butchers & Meat Cutters ($35,940)	Customer Service Representatives ($35,570)	Emergency Medical Techs. & Paramedics ($38,093)	Special Education Teachers, Secondary School ($56,929)

Source: DEED Occupations in Demand

EMPLOYMENT PROJECTIONS

Region 7E is a part of the larger 13-county Central Minnesota Planning area, along with Region 6E and Region 7W. Central Minnesota is projected to remain the fastest growing part of the state, expanding 9.8 percent from 2012 to 2022, a gain of 28,848 new jobs. In addition, the region is also expected to need 68,960 replacement openings to fill jobs left vacant by retirements and other career changers. In fact, the number of replacement openings is expected to dwarf the number of new jobs in every group except for personal care and service occupations, construction and extraction workers; and healthcare support and practitioner jobs (see Figure 9).

Figure 9. Central Minnesota Employment Projections, 2012-2022

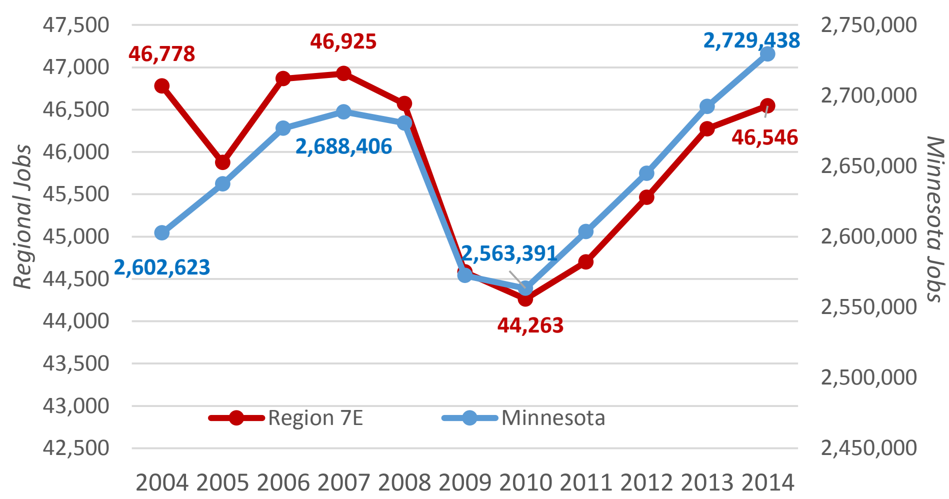


Source: DEED 2012-2022 Employment Outlook

ECONOMY

INDUSTRY EMPLOYMENT

Figure 10. Industry Employment Change, 2004-2014



Source: DEED Quarterly Census of Employment & Wages (QCEW)

Region 7E has seen employment ups and downs over the past decade, but ended 2014 with 232 fewer jobs than it had in 2004. The region entered the recession earlier than the state, experiencing job declines through 2008, then suffering severe declines in 2009 and 2010. Since then, Region 7E has seen a steady but slightly slower recovery than the rest of the state, which gained jobs at a 6.5 percent clip from 2010 to 2014, compared to a 5.2 percent increase in the region. Region 7E still has not regained all of the jobs lost during the recession, while the state reached breakeven in 2013 (see Figure 10).

According to DEED's Quarterly Census of Employment & Wages (QCEW) program, Region 7E was home to 3,491 business establishments providing 46,546 covered jobs through 2014, with a total payroll of just under $1.6 billion. That was about 1.7 percent of total employment in the state of Minnesota, making it the fourth smallest of the 13 EDRs in the state. Average annual wages were $33,748 in the region, which was about $18,000 lower than the state's average annual wage, and the second lowest of the 13 EDRs.

Chisago County is the largest employment center in the region, with 14,252 jobs at 1,124 firms; accounting for 30 percent of the region's jobs. Isanti County was the next largest, with 10,913 jobs at 764 firms, followed by Mille Lacs County with 692 firms and 9,566 jobs and Pine County with 8,063 jobs at 616 firms. Kanabec County was the smallest economy in the region, with 295 firms and 3,753 jobs. As shown above, the region recovered more slowly than the state over the past five years; with Chisago, Isanti and Mille Lacs County seeing the biggest rise in jobs. In contrast, Pine County employers cut jobs over the past five years, including a loss of 125 jobs in the past year. Kanabec, Isanti, and Chisago County all grew more than 1 percent from 2013 to 2014, which was in line with the state of Minnesota (see Table 12).

Table 12. Region 7E Industry Employment Statistics, 2014				Average Annual Wage	*2010-2014*		*2013-2014*	
Geography	Number of Firms	Number of Jobs	Total Payroll		*Change in Jobs*	*Percent Change*	*Change in Jobs*	*Percent Change*
Region 7E	**3,491**	**46,546**	**$1,570,433,218**	**$33,748**	***+2,283***	***+5.2%***	***+273***	***+0.6%***
Chisago Co.	1,124	14,252	$514,376,617	$36,036	*+874*	*+6.5%*	*+150*	*+1.1%*
Isanti Co.	764	10,913	$401,764,590	$36,816	*+765*	*+7.5%*	*+149*	*+1.4%*
Kanabec Co.	295	3,753	$125,218,747	$33,332	*+163*	*+4.5%*	*+70*	*+1.9%*
Mille Lacs Co.	692	9,566	$298,523,910	$31,200	*+651*	*+7.3%*	*+31*	*+0.3%*
Pine Co.	616	8,063	$230,549,354	$28,548	*-169*	*-2.1%*	*-125*	*-1.5%*
State of Minnesota	**164,409**	**2,729,438**	**$140,857,248,755**	**$51,584**	***+166,047***	***+6.5%***	***+37,321***	***+1.4%***

Source: DEED Quarterly Census of Employment & Wages (QCEW)

With 9,736 jobs at 300 firms, health care and social assistance is the largest employing industry in Region 7E, accounting for 20.9 percent of total jobs in the region. Due to the region's older population, the largest sector was nursing and residential care facilities, which had 4,184 jobs, despite losing jobs since 2010. The region also had high concentrations of employment in ambulatory health care services and hospitals, which both gained jobs since 2010, and social assistance, which lost jobs.

Retail Trade is the next largest industry in Region 7E, with 5,815 jobs at 472 firms, accounting for 12.5 percent of total jobs in the region, after adding 380 jobs from 2010 to 2014. The related accommodation and food services industry had 5,065 jobs at 286 firms; and the arts, entertainment and recreation industry (which includes casinos) has 2,402 jobs at 82 firms. Though all three industries have relatively low wages, they provide almost 30 percent of the region's jobs.

After adding 1,422 net new jobs, manufacturing is now the third largest industry in Region 7E, with 5,451 jobs at 245 firms. Wages in manufacturing were nearly $9,000 higher than in the total of all industries. Region 7E also has a high concentration of jobs in educational services, with 4,777 jobs at 76 institutions – primarily at elementary and secondary schools, but also at junior colleges; and in public administration.

Other important industries in Region 7E include construction, other services, transportation and warehousing, administrative support and waste management services, and finance and insurance. Thirteen of the 20 main industries in the region added jobs since 2010, with huge gains in manufacturing, accommodation and food services (though that was mostly a classification switch from arts, entertainment, and recreation), retail trade, construction, educational services, transportation and warehousing, and public administration. In contrast, the region saw job losses in arts, entertainment and recreation (due to the classification switch), finance and insurance, information, and wholesale trade (see Table 13).

Table 13. Region 7E Industry Employment Statistics, 2014

	2014 Annual Data				Avg.	*2010-2014*		*2013-2014*	
NAICS Industry Title	Number of Firms	Number of Jobs	*Percent of Jobs*	Total Payroll	Annual Wage	*Change in Jobs*	*Percent Change*	*Change in Jobs*	*Percent Change*
Total, All Industries	**3,491**	**46,546**	**100.0%**	**$1,570,433,218**	**$33,748**	***+2,283***	***+5.2%***	***+273***	***+0.6%***
Health Care & Social Assistance	300	9,736	20.9%	$370,686,805	$38,064	*+3*	*0.0%*	*-39*	*-0.4%*
Retail Trade	472	5,815	12.5%	$129,735,073	$22,308	*+380*	*+7.0%*	*+188*	*+3.3%*
Manufacturing	245	5,451	11.7%	$232,009,805	$42,536	*+1,422*	*+35.3%*	*+75*	*+1.4%*
Accommodation & Food Services	286	5,065	10.9%	$79,034,858	$15,600	*+1,403*	*+38.3%*	*-7*	*-0.1%*
Educational Services	76	4,777	10.3%	$175,910,060	$36,920	*+132*	*+2.8%*	*+158*	*+3.4%*
Public Administration	145	3,869	8.3%	$162,178,144	$41,912	*+104*	*+2.8%*	*+65*	*+1.7%*
Arts, Entertainment & Recreation	82	2,402	5.2%	$51,030,043	$21,216	*-1,145*	*-32.3%*	*-74*	*-3.0%*
Construction	563	2,145	4.6%	$106,438,227	$48,672	*+260*	*+13.8%*	*+65*	*+3.1%*
Other Services	342	1,355	2.9%	$29,409,418	$21,684	*+49*	*+3.8%*	*+40*	*+3.0%*
Transportation & Warehousing	151	1,043	2.2%	$36,731,766	$35,256	*+105*	*+11.2%*	*+21*	*+2.1%*
Admin. Support & Waste Mgmt.	147	1,011	2.2%	$37,814,835	$37,336	*-78*	*-7.2%*	*-50*	*-4.7%*
Finance & Insurance	124	958	2.1%	$41,593,496	$43,420	*-149*	*-13.5%*	*-25*	*-2.5%*
Professional & Technical Services	195	704	1.5%	$30,406,778	$43,212	*-15*	*-2.1%*	*-100*	*-12.4%*
Wholesale Trade	114	685	1.5%	$27,065,886	$39,468	*-108*	*-13.6%*	*-34*	*-4.7%*
Information	48	456	1.0%	$15,504,188	$34,008	*-134*	*-22.7%*	*-18*	*-3.8%*
Agriculture, Forestry, Fish & Hunt	57	408	0.9%	$10,989,498	$26,988	*-13*	*-3.1%*	*-15*	*-3.5%*
Real Estate & Rental & Leasing	111	268	0.6%	$6,517,465	$24,232	*+23*	*+9.4%*	*-1*	*-0.4%*
Utilities	22	250	0.5%	$20,070,172	$80,236	*+17*	*+7.3%*	*-3*	*-1.2%*
Management of Companies	8	109	0.2%	$5,516,800	$50,804	*+25*	*+29.8%*	*+25*	*+29.8%*
Mining	6	36	0.1%	$1,789,901	$48,984	*+3*	*+9.1%*	*+4*	*+12.5%*

Source: DEED Quarterly Census of Employment & Wages (QCEW)

DISTINGUISHING INDUSTRIES

Region 7E stands out in the state for its higher share of employment in amusement, gambling, and recreation and accommodation, but also has strengths in unexpected areas like plastics and rubber product manufacturing and furniture and related product manufacturing; and justice, public order and safety activities. As noted above, the region has a higher concentration of jobs in nursing and residential care facilities, elementary and secondary schools, and executive, legislative, and other general government support (see Table 14).

Table 14. Region 7E Distinguishing Industries, 2014

NAICS Industry Title	NAICS Code	Number of Firms	Number of Jobs	Total Payroll	Avg. Annual Wages	Location Quotient
Total, All Industries	**0**	**3,491**	**46,546**	**$1,570,433,218**	**$33,748**	**1.0**
Amusement, Gambling, & Recreation Industries	713	63	2,316	$48,760,512	$21,008	3.8
Plastics & Rubber Products Manufacturing	326	12	903	$35,348,544	$39,104	3.5
Accommodation	721	44	1,357	$35,672,900	$26,260	2.4
Justice, Public Order, & Safety Activities	922	21	885	$48,546,181	$54,860	2.3
Executive, Legislative, & Other Gov't Support	921	78	2,615	$98,318,685	$37,596	2.3
Nursing & Residential Care Facilities	623	80	4,184	$124,540,348	$29,744	2.2
Gasoline Stations	447	86	899	$14,552,459	$16,172	2.2
Furniture & Related Product Manufacturing	337	24	329	$13,895,728	$42,172	2.1
Elementary & Secondary Schools	6111	57	4,476	$162,603,467	$36,400	1.8
Fabricated Metal Product Manufacturing	332	75	1,295	$62,264,936	$48,100	1.8

Source: DEED Quarterly Census of Employment & Wages (QCEW)

INDUSTRY PROJECTIONS

As noted above, Region 7E is part of the 13-county Central Minnesota Planning Region, which is projected to lead the state with 9.8 percent job growth from 2012 to 2022, a gain of 28,848 new jobs.

The largest and fastest growing industry is expected to be health care and social assistance, which may account for over 40 percent of total projected growth in the region from 2012 to 2022. The region is also expected to see significant employment growth in construction, professional and technical services, administrative support and waste management services – which includes temporary staffing agencies, retail trade, wholesale trade, and accommodation and food services. In contrast, the region is expected to see declines only in information (see Table 15).

Table 15. Central Minnesota Industry Projections, 2012-2022

Industry	Estimated Employment 2012	Projected Employment 2022	Percent Change 2012-2022	Numeric Change 2012-2022
Total, All Industries	**294,407**	**323,255**	**+9.8%**	**+28,848**
Health Care & Social Assistance	41,963	53,847	+28.3%	+11,884
Manufacturing	38,994	40,126	+2.9%	+1,132
Retail Trade	34,167	37,510	+9.8%	+3,343
Accommodation & Food Services	20,475	21,678	+5.9%	+1,203
Construction	13,987	16,879	+20.7%	+2,892
Other Services	12,001	12,809	+6.7%	+808
Admin. Support & Waste Mgmt.	10,500	12,219	+16.4%	+1,719
Wholesale Trade	10,123	10,801	+6.7%	+678
Transportation & Warehousing	7,851	8,710	+10.9%	+859
Finance & Insurance	7,036	7,731	+9.9%	+695
Professional & Technical Services	5,957	6,905	+15.9%	+948
Arts, Entertainment & Recreation	5,861	6,394	+9.1%	+533
Ag., Forestry, Fishing & Hunting	4,921	5,113	+3.9%	+192
Information	3,160	3,012	-4.7%	-148
Educational Services	2,629	2,865	+9.0%	+236
Utilities	2,446	2,455	+0.4%	+9
Real Estate, Rental & Leasing	2,028	2,247	+10.8%	+219
Management of Companies	1,387	1,458	+5.1%	+71
Mining	268	269	+0.4%	+1

Source: DEED 2012-2022 Employment Outlook

EMPLOYERS BY SIZE CLASS

The vast majority of businesses in Region 7E are small businesses, with 58.5 percent of businesses reporting 1 to 4 employees in 2013, according to County Business Patterns from the U.S. Census Bureau. Another 31.4 percent had between 5 and 19 employees; and 8.5 percent had between 20 and 99 employees. Only 1.3 percent had 100 to 499 employees, compared to 2.4 percent of businesses in the state. Just 5 businesses in the region had more than 500 employees, which is the Small Business Administration's official cut off for a "small business". Obviously then, small businesses are vital to the region's economy (see Table 16).

Table 16. Employers by Size Class, 2013

	Region 7E		Minnesota
Number of Employees	Number of Firms	Percent of Firms	Percent of Firms
1-4	2,099	58.5%	54.2%
5-9	665	18.5%	17.7%
10-19	464	12.9%	13.4%
20-49	247	6.9%	8.9%
50-99	58	1.6%	3.2%
100-249	40	1.1%	1.9%
250-499	8	0.2%	0.5%
500-999	3	0.1%	0.2%
1,000 or more	2	0.1%	0.1%
Total Firms	**3,586**	**100.0%**	**100.0%**

Source: U.S. Census, County Business Patterns

NONEMPLOYER ESTABLISHMENTS

Before growing, the basic building block of most small businesses is a self-employed business. Region 7E was home to 10,947 self-employed businesses or "nonemployers" in 2013, which are defined by the U.S. Census Bureau as "businesses without paid employees that are subject to federal income tax, originating from tax return information of the Internal Revenue Service (IRS)." Like covered employment, Region 7E suffered a decline in nonemployers over the past decade, responding to economic changes. In sum, the region lost 827 nonemployers from 2003 to 2013, a -7.0 percent decrease. The largest amount of nonemployers was in Chisago County, while Isanti was the only county in the region to see an increase in self-employment. These nonemployers generated sales receipts of $445 million in 2013 (see Table 17).

Table 17. Nonemployer Statistics, 2013

	2013		*2003-2013*	
	Number of Firms	Receipts ($1,000s)	*Change in Firms*	*Percent Change*
Region 7E	**10,947**	**$444,777**	***-827***	***-7.0%***
Chisago Co.	3,753	$146,402	*-310*	*-7.6%*
Isanti Co.	2,636	$110,802	*+61*	*+2.4%*
Kanabec Co.	1,054	$46,078	*-158*	*-13.0%*
Mille Lacs Co.	1,781	$72,724	*-353*	*-16.5%*
Pine Co.	1,723	$68,771	*-67*	*-3.7%*
State of Minnesota	**388,900**	**$17,268,230**	***+40,173***	***+11.5%***

Source: U.S. Census, Nonemployer Statistics program

CENSUS OF AGRICULTURE

Unlike other parts of Greater Minnesota, agriculture is not a key industry in Region 7E, but there are 3,925 farms producing just under $268 million in the market value of products sold in 2012 according to the U.S. Department of Agriculture. All of the counties in the planning region rank near the bottom in Minnesota in regards to the market value of products sold, with all five counties ranked between 66th and 76th of the 87 counties in the state. However, the region experienced a 70.5 percent increase in the market value of products sold since 2007 (see Table 18).

Table 18. Census of Agriculture, 2012

	Number of Farms	Market Value of Products Sold	*State Rank*	*Change in Market Value, 2007-2012*
Region 7E	**3,925**	**$267,943,000**		***+70.5%***
Chisago Co.	832	$56,530,000	*70*	*+69.2%*
Isanti Co.	844	$61,026,000	*68*	*+125.1%*
Kanabec Co.	648	$31,963,000	*76*	*+62.3%*
Mille Lacs Co.	731	$52,980,000	*71*	*+94.2%*
Pine Co.	870	$65,444,000	*66*	*+31.7%*
State of Minnesota	**74,542**	**$21,280,184,000**		***+61.5%***

Source: 2012 Census of Agriculture